

DUE DILIGENCE DECLARATION FORM

Name of Distributor: _____

ARN: _____

Name of Contact Person: _____

Telephone No (Land line / Mobile): _____

PART A:

A) Business Model:

Range of Services

- Financial Planning and Investment Advisory
- Merchant Banking - a SEBI-approved Merchant Banker
- Stock Broking and Depository (Demat) Services
- Insurance Broker
- Any other Business _____

B) Experience: Mutual Fund Industry : No of years _____.
No of AMC's / Mutual Funds with whom empanelled _____ (as per list)

C) Proficiency: Are all the sales personnel marketing schemes of Sahara Mutual Fund, AMFI / NISM qualified? _____

PART B:

I / We hereby certify that

1. I/We have canvassed business in accordance with AMFI / SEBI Guidelines and Norms for Intermediaries including Code of Conduct and any Rules and Regulations that have been framed or amended by AMFI / SEBI from time to time.

I/We have

- (a) Multiple point presence (More than 20 locations) YES NO
- (b) AUM raised over ₹ 100 Crore across the Mutual Fund industry in the non institutional category but including high networth individuals (HNIs). YES NO
- (c) Commission received of over ₹ 1 Crore p.a. across Mutual Fund. YES NO
- (d) Commission received of over ₹ 50 Lakh from a single Mutual Fund. YES NO

a) I/We declare that we have organisational controls and the following processes are delinked from sales and relationship management processes and personnel:

- i. Customer risk / investment objective evaluation.
- ii. MF scheme evaluation and defining its appropriateness by customer risk categories.

b) I/We declare that Customer relationship and transactions are categorized as:

- i. Advisory – I / We commit to distribute only on the principle of 'appropriateness' of products to that customer category. Appropriateness is defined as selling only that product categorization that is identified as best suited for investors within a defined upper ceiling of risk appetite. No exception has been made.
- ii. Execution Only – refers to all transactions that are not booked as 'advisory'
 - 1) In case of "execution only" transaction where I / We have information to believe that the transaction is not appropriate for the customer, then a written communication has been made regarding 'inappropriateness' to investor, duly acknowledged and accepted by investor.
 - 2) I/We have obtained customer confirmation to the effect that the transaction is 'execution only' notwithstanding the 'advice of appropriateness' prior to the execution of the transaction.
 - 3) I/We undertake that on all such 'execution only' transactions, the customer is not required to pay me / us anything other than a standard flat transaction fee, that is not ad valorem or percentage of value and is consistent across all investors irrespective of the transaction value.

iii. I/We declare that there are no third categorization of customer relationship / transaction.

While selling Mutual Fund products of our group / affiliate / associates, I / We have disclosed to the customer regarding the conflict of interest arising from our selling of such products.

2. I/We declare that our Compliance and risk management functions include review of defined management processes for:
 - i. the criteria to be used in review of products and the periodicity of such review.
 - ii. the factors to be included in determining the risk appetite of the customer and the investment categorization and periodicity of such review.
 - iii. review of transactions, exceptions identification, escalation and resolution process by internal audit.
3. I/We declare that recruitment, training, certification and performance review of all personnel engaged in the business are strictly done in accordance with guidelines, instructions, regulations etc. including code of conduct issued by SEBI / AMFI / other statutory bodies.
4. I/We declare that I / We have adequate and defined systems as required by the statutory bodies including (SEBI / AMFI) for customer on boarding and relationship management process, servicing standards, enquiry / grievance handling mechanism.
5. I/We declare that I / We have the required audit mechanism (both internal/external), the audit manual and processes being followed, auditor's comments / observations relating to Mutual Fund distribution business and timely redressal mechanism of the same.
6. I/We have process regarding findings of ongoing review from sample survey of investors.
(Sahara Mutual Fund may do independent verification directly with a sample of investors to revalidate the declarations made by the distributor.)
7. I/We certify that our business model focuses on mutual fund distribution to the potential investors in a transparent manner after assessing the specific investment needs of the investor.
8. Whether regulatory / statutory levies, fines and penalties, legal suits, customers compensation made by self, associates and subsidiaries -

YES No

If YES please fill in following

Record of regulatory / statutory levies, fines and penalties, legal suits, customer compensations made; causes for these and resulting corrective action taken. Applicable for self, associates and subsidiaries.

Details of:

Sr. No.	Date	Statutory Authority which has issued warning letters / imposed fine / penalty	Reason for such action	Corrective action	Regulator's Response, if any

Additional information is provided by way of separate Annexure duly signed by appropriate authorities.

Company Seal :

Name

(For Non-Individual Distributor)

Designation

(Signature)

ARN Code

Address

Tel. No. / email

Date :

Place :